

RESOLUTION NUMBER 23-01
RESOLUTION IN SUPPORT OF ADDRESSING SYSTEM COSTS
UNDER THE ALASKA WORKERS' COMPENSATION ACT

WHEREAS, the Alaska Workers' Compensation Board (Board) is a public organization that is accountable through its members to the residents, the Legislature, and the Governor of Alaska;

WHEREAS, the Board acts as the lead state agency for adjudicating disputes under the Alaska Workers' Compensation Act (Act), to ensure quick, efficient, and fair payments of benefits to injured workers at a reasonable cost to employers;

WHEREAS, the Workers' Compensation Benefits Guaranty Fund was established to pay compensation and benefits to injured employees not covered by an employer due to failure-to-insure;

WHEREAS, the Benefits Guaranty Fund is composed of civil penalty payments made by employers under AS 23.30.080, income earned on investment of the money in the fund, money deposited in the fund by the department, and appropriations to the fund;

WHEREAS, the money appropriated to the fund does not lapse;

WHEREAS, the Benefits Guaranty Fund has been subject to fund sweeps, with \$3.1 million unreturned as of FY 2023;

WHEREAS, the Benefits Guaranty Fund is now in danger of becoming insolvent. Upon insolvency, benefits to those injured workers are suspended.

NOW THEREFORE BE IT RESOLVED that the Board respectfully requests that the Alaska State Legislature:

1. Remove the Benefits Guaranty Fund from future budgetary sweep action by
 - a. Inserting language into Alaska Statute 23.30.082 that removes the Benefits Guaranty Fund from the General Fund of the State of Alaska; Or
 - b. Passing statutory language exempting the Benefits Guaranty Fund from sweep action.
2. Allow for the proper use of funds within the Benefits Guaranty Fund.
3. Deposit replacement funds into the Benefits Guaranty Fund to ensure the integrity of the Fund to provide benefits for injured workers and their families.

BE IT FURTHER RESOLVED that copies of the Resolution be promptly transmitted to the Governor, the President of the Senate, the Speaker of the House, and the Chairs of the Senate and House Labor and Commerce Committees.

CERTIFICATION

The Alaska Workers' Compensation Board held a meeting duly and regularly called, noticed, and convened this 13th day of October 2023, and the foregoing Resolution was adopted at said meeting.

DocuSigned by:
Charles Collins
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Charles Collins,

Chair
DocuSigned by:
Randy Beltz
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Randy Beltz,
Industry Member

DocuSigned by:
John Corbett
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John Corbett,
Labor Member

DocuSigned by:
Mike Dennis
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Micheal Dennis,
Industry Member

DocuSigned by:
A. Bronson
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Bronson Frye,
Labor Member

DocuSigned by:
Anthony Ladd
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Anthony Ladd,
Labor Member

DocuSigned by:
Mark Sayampanathan
847B5673486C4E1...
Mark Sayampanathan,
Industry Member

DocuSigned by:
Robert Weel
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Robert Weel,
Industry Member

DocuSigned by:
Debbie White
979563EA1F2844B...
Debbie White,
Industry Member

DocuSigned by:
Brad Austin
B8B30C9A223548C...
Bradley Austin,
Labor Member

DocuSigned by:
Pamela Cline
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Pamela Cline,
Labor Member

ABSENT
Jonathon Dartt,
Industry Member
DocuSigned by:
Sara Faulkner
400570D22FDB44D...
Sara Faulkner,
Industry Member

ABSENT
Steven Heidemann,
Labor Member
DocuSigned by:
Sarah Lefebvre
68D9269EF84F4E9...
Sarah Lefebvre,
Industry Member

DocuSigned by:
Marc Stemp
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Marc Stemp,
Industry Member

DocuSigned by:
Lake Williams
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Lake Williams,
Labor Member